

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE APPLICATION</b>	)	<b>CASE NO. PAC-E-19-08</b>
<b>OF ROCKY MOUNTAIN POWER TO</b>	)	
<b>CLOSE THE NET METERING PROGRAM</b>	)	<b>NOTICE OF SUPPLEMENTAL</b>
<b>TO NEW SERVICE &amp; IMPLEMENT A NET</b>	)	<b>APPLICATION</b>
<b>BILLING PROGRAM TO COMPENSATE</b>	)	
<b>CUSTOMER GENERATORS FOR</b>	)	<b>NOTICE OF</b>
<b>EXPORTED GENERATION</b>	)	<b>PUBLIC HEARING</b>
	)	
	)	<b>NOTICE OF COMMENT</b>
	)	<b>DEADLINES</b>
	)	
	)	
	)	<b>ORDER NO. 34661</b>

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On June 14, 2019, Rocky Mountain Power, a division of PacifiCorp (“Rocky Mountain Power” or “Company”) filed an application requesting the Commission close Electric Service Schedule 135 – Net Metering Service (“Schedule 135” or “Net Metering Program”) to new customer participation as of December 31, 2019, and open Electric Service Schedule 136 – Net Billing Service (“Schedule 136” or “Net Billing Program”) to new customer participation as of February 1, 2020.

On July 18, 2019, the Commission issued a Notice of Application and Notice of Intervention Deadline. Order No. 34379. Idaho Irrigation Pumpers Association, Inc., Idaho Conservation League, and Idaho Clean Energy Association, Inc. intervened.

On December 20, 2019, the Commission issued a final order in IPC-E-18-15 rejecting a proposed Settlement Agreement for Idaho Power’s net metering program. Order No. 34509.

On February 5, 2020, the Commission issued a final order on reconsideration in IPC-E-18-15 upholding its decision to reject the proposed Settlement Agreement. Order No. 34546.

On March 10, 2020, the Parties met to discuss how to proceed with Rocky Mountain Power’s Application in light of the Commission’s directives in Order Nos. 34509 and 34546 issued in IPC-E-18-15.

On April 23, 2020, Rocky Mountain Power submitted a supplemental application (“Supplemental Application”) with updated inputs to the proposed export credit rate and an updated proposal regarding grandfathering treatment for existing customers.

NOTICE OF SUPPLEMENTAL APPLICATION  
NOTICE OF PUBLIC HEARING  
NOTICE OF COMMENT DEADLINES  
ORDER NO. 34661

On April 28, 2020, Commission Staff presented a Decision Memorandum at the Commission's regularly scheduled Decision Meeting outlining the proposed procedure and schedule agreed to by the parties.

We now issue this Notice of Supplemental Application, Notice of Public Hearing, and Notice of Comment Deadlines establishing the procedure and schedule for the study design phase of the Company's Supplemental Application.

### **BACKGROUND**

Rocky Mountain Power and Commission Staff indicate that the parties to this docket met and agreed to follow the "two-phase" approach the Commission ordered for Idaho Power in Order No. 34509. The two-phase approach consists of a study design phase and a study review phase, with opportunities for public input during both phases. The study design phase provides the parties and the public the opportunity to comment on the scope and parameters of the study. Following the study design phase, the Commission will issue an order establishing the scope and parameters of the study. The Company then will conduct the study and file it with the Commission. After the Company files the study, the Commission will issue an order establishing the procedure and schedule for the study review phase. The study review phase will allow parties and the public to state whether the study was conducted in a credible and fair manner and whether the study is sufficiently comprehensive to support a well-informed decision regarding Rocky Mountain Power's net metering service offerings.

### **NOTICE OF SUPPLEMENTAL APPLICATION**

YOU ARE HEREBY NOTIFIED that Rocky Mountain Power submitted a Supplemental Application in this docket, which supersedes the Company's original application.

YOU ARE FURTHER NOTIFIED that the Company proposes to close its current Net Metering Program to new participants as of July 31, 2020. The Company proposes that Schedule 135 customers remain on Schedule 135 until July 31, 2030, grandfathering existing customers to the terms of Schedule 135 for ten years.

YOU ARE FURTHER NOTIFIED that arguments pertaining to the Company's proposed grandfathering treatment for existing customers will be considered in the study design phase.

YOU ARE FURTHER NOTIFIED that the Company requests the Commission establish Schedule 136 – Net Billing Program effective September 1, 2020. The Company proposes that customers who apply to interconnect an onsite generation system after July 31, 2020 take service under Schedule 136.

YOU ARE FURTHER NOTIFIED that the Company states the only difference between its current Schedule 135 and its proposed Schedule 136 is that under Schedule 136, energy exported to the grid by a customer generator would be compensated at an export credit rate (“Export Credit Rate”).

YOU ARE FURTHER NOTIFIED that the Company requests the Commission open Schedule 136 for new customers as of September 1, 2020, but initially set the Export Credit Rate equivalent to retail energy charges until the Commission approves an Export Credit Rate.

YOU ARE FURTHER NOTIFIED that the Company proposes three components to determine the Export Credit Rate: an energy component, an avoided line losses component, and an integration cost component.

YOU ARE FURTHER NOTIFIED that the Company proposes using the Surrogate Avoided Resource (“SAR”) method, with on-peak and off-peak pricing, to determine the energy value in the Export Credit Rate. The SAR method is used by the Commission to calculate published avoided cost prices under the Public Utility Regulatory Policies Act of 1978. The SAR method reflects the costs the utility would incur if it were to build, operate, and maintain a natural gas fired combined cycle combustion turbine. Based on 2019 data and the proposed SAR rates set to take effect on June 1, 2020, the Company calculates the average value of the SAR-based energy component at \$22.34 per MWh.

YOU ARE FURTHER NOTIFIED that for the value of avoided line losses, the Company proposes a value of \$3.36 per MWh.

YOU ARE FURTHER NOTIFIED that the Company states it must maintain reserve resources to integrate variable resources. The Company calculates its integration costs, based on its 2019 Integrated Resource Plan, as \$0.25 per MWh.

YOU ARE FURTHER NOTIFIED that the Company and Commission Staff have committed to holding public workshops after preliminary comments are filed and before revised comments are filed. The Company states it will notify all customers when the times, dates, and

locations of the workshops are finalized. Due to COVID-19, these public workshops will include a telephonic option.

YOU ARE FURTHER NOTIFIED that the Company proposes to recover exported energy credits for Schedule 135 and Schedule 136 through the Company's Energy Cost Adjustment Mechanism ("ECAM").

YOU ARE FURTHER NOTIFIED that the Company reports about 1,262 customers with a total of 9.3 megawatts installed capacity participate under Schedule 135 as of the end of March 2020.

YOU ARE FURTHER NOTIFIED that the Company proposes a one-time non-refundable application fee of \$85 be submitted with the customer's application for on-site generation.

YOU ARE FURTHER NOTIFIED that the Company proposes no changes to retail consumption rates in this docket. On March 26, 2020, Rocky Mountain Power filed a Notice of Intent to File a General Rate case. In its Supplemental Application, the Company states it intends to file a general rate case on June 1, 2020. Rate design and cost of service issues for consumption will be addressed in that docket.

#### **NOTICE OF TELEPHONIC PUBLIC HEARING**

YOU ARE HEREBY NOTIFIED that, after public workshops have been held, the Commission will conduct a telephonic public customer hearing on MONDAY, JUNE 22, 2020 at 3:00 p.m. (MST). Persons wishing to offer their testimony telephonically or listen to the proceedings may dial 1-800-920-7487 at the designated time and enter the passcode 6674832# when prompted.

YOU ARE FURTHER NOTIFIED that the purpose of this telephonic public hearing is to provide customers with an opportunity to make statements on the record about the study design phase, including statements about what should be studied and how the study should be conducted. Additionally, the telephonic public hearing will provide customers the opportunity to comment on the Company's proposal to grandfather existing customers with on-site generation for 10 years.

YOU ARE FURTHER NOTIFIED that all hearings in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act ("ADA").

Persons needing the help of a sign language interpreter or other assistance in order to participate in or to understand testimony and argument at a telephonic public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION  
P.O. BOX 83720  
BOISE, IDAHO 83720-0074  
(208) 334-0338 (Telephone)  
(208) 334-3762 (FAX)  
E-Mail: [secretary@puc.idaho.gov](mailto:secretary@puc.idaho.gov)

### NOTICE OF COMMENT DEADLINES

YOU ARE HEREBY NOTIFIED that **parties have until May 26, 2020 to file preliminary comments, until July 2, 2020 to file revised comments, and until July 16, 2020 to file reply comments.** These comments should be limited to the study design phase and the Company's proposal to grandfather existing customers, and be in response to the Company's Supplemental Application. Establishing a preliminary comment deadline and a revised comment deadline is intended to give the parties the opportunity to incorporate public feedback regarding their preliminary comments into their revised comments. Public workshops and public hearings will take place between the preliminary comment deadline and the revised comment deadline.

YOU ARE FURTHER NOTIFIED that supporting documents are available on the Commission's web site at [www.puc.idaho.gov](http://www.puc.idaho.gov) by clicking "Electric" then "Open Cases" then selecting the case number at the top of this document.

YOU ARE FURTHER NOTIFIED that any person not a party to this case, who desires to state a position on study design or grandfathering, must file a **written comment with the Commission by July 16, 2020.** The written comment must contain a statement of reasons supporting it. Persons desiring a technical hearing on the study design phase must specifically request a technical hearing in their written comments. Written comments concerning this docket should be mailed electronically, unless e-mail is unavailable, to the Commission and the Company at the addresses reflected below:

**For the Idaho Public Utilities  
Commission:**

Commission Secretary  
Idaho Public Utilities Commission  
P.O. Box 83720  
Boise, ID 83720-0074  
Street Address for Express Mail:

11331 W. Chinden Blvd.,  
Building 8, Suite 201-A  
Boise, ID 83714

E-Mail: [secretary@puc.idaho.gov](mailto:secretary@puc.idaho.gov)

**For Rocky Mountain Power:**

Ted Weston  
Idaho Regulatory Affairs Manager  
Rocky Mountain Power  
1407 West North Temple, Suite 330  
Salt Lake City, Utah 84116

E-mail: [ted.weston@pacificorp.com](mailto:ted.weston@pacificorp.com)

Emily L. Wegener  
Rocky Mountain Power  
1407 West North Temple, Suite 320  
Salt Lake City, Utah 84116

E-mail: [emily.wegener@pacificorp.com](mailto:emily.wegener@pacificorp.com)

Rocky Mountain Power requests that parties send all data requests regarding this Application in Microsoft Word to the following addresses:

By e-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

By regular mail:  
Data Request Response Center  
PacifiCorp  
825 Multnomah, Suite 2000  
Portland, Oregon 97232

Comments must contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments electronically may do so by accessing the Commission's home page located at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click the "Case Comment Form" under "Consumers" and complete the form using the case number as it appears on the front of this document.

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a technical hearing in the study design phase of this matter.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order on the study design phase without a technical hearing. If written comments are received within

the time limit set, the Commission will consider them and, in its discretion, may set the same for a technical hearing.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-501, 61-502 and 61-503.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

### **ORDER**

IT IS HEREBY ORDERED that a telephonic public customer hearing be held on Monday, June 22, 2020, at 3:00 p.m. (MDT) to obtain public input on the study design phase and the Company's proposal to grandfather existing customers for 10 years. Persons wishing to offer their testimony telephonically or listen to the proceedings may dial 1-800-920-7487 at the designated time and enter the passcode 6674832# when prompted.

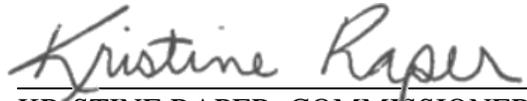
IT IS FURTHER ORDERED that parties have until May 26, 2020 to file preliminary comments, until July 2, 2020 to file revised comments, and until July 16, 2020 to file reply comments on the study design phase and the Company's proposal to grandfather existing customers for 10 years.

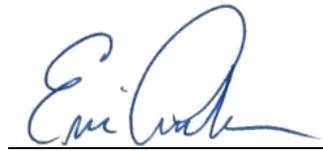
IT IS FURTHER ORDERED that persons besides parties who are interested in submitting written comments on the study design phase and the Company's proposal to grandfather existing customers for 10 years must do so by July 16, 2020.

IT IS FURTHER ORDERED that parties continue to comply with Order No. 34602, issued March 17, 2020. All pleadings should be filed with the Commission electronically and shall be deemed timely filed when received by the Commission Secretary. See Rule 14.02. Service between parties should also be accomplished electronically. Voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 6<sup>th</sup> day of May 2020.

  
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PAUL KJELLANDER, PRESIDENT

  
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KRISTINE RAPER, COMMISSIONER

  
\_\_\_\_\_  
ERIC ANDERSON, COMMISSIONER

ATTEST:

  
\_\_\_\_\_  
Diane M. Hanian  
Commission Secretary

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